

## LAW OFFICES

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By email and first-class mail

June 28, 2016

Jeff S. Jordan Assistant General Counsel Complaints Examination & Legal Administration Federal Election Commission 999 E Street, NW Washington, DC 20463

> Re: MUR 7050 UNITE HERE Local 1 **Political Action Committee**

Dear Mr. Jordan:

I am writing on behalf of UNITE HERE Local 1 ("Local 1") with respect to named respondent UNITE HERE Local 1 Political Action Committee ("Local 1 PAC") in response to the complaint ("Complaint") filed by Chris Smola. There are several matters pertaining to the Commission's notification concerning the Complaint that bear on the timeliness of this response as well as the merits of the Complaint.

First, there is no entity named "UNITE HERE Local 1 Political Action Committee," and no such entity is named or even described in the Complaint. The actual entity most similar to the named respondent is a "UNITE HERE Local 1 Political Action Fund" ("the Fund"), which is an Illinois political committee that is registered with the Illinois State Board of Elections and whose sponsoring entity under Illinois law is UNITE HERE Local 1. However, even if the Fund is construed as the intended notified respondent, it is not "[a] person alleged in the [C]omplaint to have committed...a violation" within the meaning of 52 U.S.C. § 30109(a). The Complaint instead plainly makes allegations with respect to the UNITE HERE TIP Campaign Committee ("Committee"), and the payroll deduction authorization form that Mr. Smola executed and that was honored until he revoked it pertains to the Committee (in the form of its predecessor) and not the Fund, as set forth in the Committee's submission to the Commission as a respondent in this same matter (which I prepared as the Committee's designated counsel). The Committee is

entirely separate from the Fund, albeit affiliated with it under the Federal Election Campaign Act ("the Act") because the Committee's connected organization, UNITE HERE, is affiliated with Local 1 under the Act.

Second, the Commission's notification letter to Local 1 PAC is addressed to 44 West Van Buren St., 44<sup>th</sup> Floor, Chicago, Illinois, 60605. That is no longer the address of Local 1; in 2013 Local 1 moved to its current location, 218 S Wabash Ave, Chicago, IL 60604. Nonetheless, as I have previously acknowledged informally to your office in requesting information about Local 1's status in this matter, Local 1 did receive the Commission's letter addressed to Local 1 PAC at some point and then misplaced it.

Under these circumstances, Local 1 itself has not been served with the Complaint and need not respond to the notification to Local 1 PAC, except to construe it as intended for the Fund, which, as I have explained, has no connection with the Complaint's allegations because they concern Mr. Smola's contributions over the years to the Committee. That said, this letter takes the unusual posture of responding on behalf of Local 1, which completed the designation of counsel form on behalf of the actual named respondent, the non-existent Local 1 PAC (unless it is the Fund). In responding here on behalf of Local 1, I reserve on its behalf all rights arising from the fact that Local 1 has not been named as a respondent. And, in no event should this response be deemed untimely (although, alternatively, we respectfully request an enlargement of time within which to respond until the date of this letter).

Further with respect to the merits of the Complaint if it is construed to make allegations that Local 1 violated the Act, Local 1 adopts all of the arguments and evidence, including the Declaration of Xiao Dan Li, Local 1's Treasurer, that respondent Committee submitted to the Commission on June 13. Accordingly, as the Committee requested, Local 1 respectfully requests that the Commission find no reason to believe that it has violated the Act and dismiss the matter. In sum, contrary to the Complaint, Mr. Smola did authorize payroll-deducted contributions to the Committee and the ensuing deductions ended when he requested that they end, so he is not entitled to a refund of any of them. Alternatively, we respectfully request that the Commission exercise its prosecutorial discretion to dismiss this matter in light of the small amount of contributions involved (apparently less than \$60), the fact that most of the contributions occurred before the applicable 5-year statute of limitations, and in light of the commitment of Commission resources that would be necessary to pursue this matter.

Thank you for your consideration.

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Yours truly,

Laurence E. Gold

Counsel for UNITE HERE Local 1

cc: UNITE HERE Local 1